
**VEREGY
AGREEMENT**

CUSTOMER NAME:
DATE OF SUBMISSION:

Palos Heights School District #128
February 26, 2025

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Note Regarding Modifications Made to this Agreement: Provisions in the printed document that are not to be included in the agreement may be deleted by striking through the word, sentence or paragraph to be omitted. It is recommended that unwanted provisions not be made illegible. The parties should be clearly aware of the material deleted from the standard form. **Do not make any modifications to this Agreement unless approval to do so has been granted. Changes may be made only by deletion as explained above, or, by addendum.**

ARTICLE 1

GENERAL PROVISIONS

1.1 This Agreement, including all Attachments, Exhibits, and Schedules referenced herein (hereinafter the “Agreement”) dated February 26, 2025 (the “Effective Date”) by and between Veregy Central, LLC a Missouri Limited Liability Company (“Contractor”) collectively referred to herein as “VEREGY,” with a principal place of business at 16647 Chesterfield Grove Road, Suite 200, Chesterfield, MO 63005, and Palos Heights School District #128 (“CUSTOMER”) with a principal place of business at 12809 S. Vickers, Palos Heights, IL 60463_ (collectively the “Parties”).

1.2 EXTENT OF AGREEMENT: This Agreement, including all attachments and exhibits hereto, represents the entire agreement between CUSTOMER and VEREGY and supersedes all prior negotiations, representations or agreements. This Agreement shall not be superseded by any provisions of the documents for construction and may be amended only by written instrument signed by both CUSTOMER and VEREGY. None of the provisions of this Agreement shall be modified, altered, changed or voided by any subsequent Purchase Order issued by CUSTOMER, which relates to the subject matter of this Agreement.

1.3 As used in this Agreement, the term “Work” means the construction and services required by the Contract Documents, whether completed or partially completed, and includes all other labor, materials, equipment and services provided or to be provided by VEREGY to fulfill VEREGY’s obligations, as described in Attachment A and otherwise set forth in the Contract Documents. The Work may constitute the whole or a part of the Project. The Work specifically excludes certain design and construction, which are the subject of separate agreements between CUSTOMER and parties other than VEREGY.

1.4 The Project is the total construction of which the Work performed by VEREGY under this Agreement may be the whole or a part.

1.5 The Contract Documents consist of this Agreement, its attachments, exhibits, schedules, and addenda.

1.6 Installation Schedule means that schedule set out in Attachment B describing the Parties’ intentions respecting the times by which the components or aspects of the Work therein set forth shall be installed and/or ready for acceptance or beneficial use by CUSTOMER.

ARTICLE 2

VEREGY’S RESPONSIBILITIES

2.1 VEREGY Services

2.1.1 VEREGY shall be responsible for construction of the Project.

2.1.2 VEREGY will assist in securing permits necessary for the Work. CUSTOMER shall pay for such proper and legal permits and approvals as may be necessary to the due and faithful performance of the Work and which may arise incidental to the fulfilling of these specifications.

2.2 Responsibilities with Respect to the Work

2.2.1 VEREGY will provide construction supervision, inspection, labor, materials, tools, construction equipment and subcontracted items necessary for the execution and completion of the Work.

2.2.2 VEREGY shall keep the premises in an orderly fashion and free from unnecessary accumulation of waste materials or rubbish caused by its operations. If VEREGY or a contractor of Veregy under this Agreement damages property while performing the Work, VEREGY shall repair the property to its pre-existing condition unless CUSTOMER directs otherwise. At the completion of the Work, VEREGY shall remove waste material supplied by VEREGY and its contractors under this Agreement as well as all its tools, construction equipment, machinery and surplus material. VEREGY shall dispose of all waste materials or rubbish caused by its operations; provided, unless otherwise specifically agreed to in this Agreement.

2.2.3 VEREGY shall give all notices and comply with all laws and ordinances legally enacted as of the date of execution of the Agreement governing the execution of the Work. Provided, however, that VEREGY shall not be responsible nor liable for the violation of any code, law or ordinance caused by CUSTOMER or existing in CUSTOMER's property prior to the commencement of the Work.

2.2.4 VEREGY shall comply with all applicable federal, state and municipal laws and regulations that regulate the health and safety of its workers while providing the Work, and shall take such measures as required by those laws and regulations to prevent injury and accidents to other persons on, about or adjacent to the site of the Work. It is understood and agreed, however, that VEREGY shall have no responsibility for elimination or abatement of health or safety hazards created or otherwise resulting from activities at the site of the Work carried on by persons not in a contractual relationship with VEREGY, including CUSTOMER, CUSTOMER's contractors or subcontractors, CUSTOMER's tenants or CUSTOMER's visitors. CUSTOMER agrees to cause its contractors, subcontractors and tenants to comply fully with all applicable federal, state and municipal laws and regulations governing health and safety and to comply with all reasonable requests and directions of VEREGY for the elimination or abatement of any such health or safety hazards at the site of the work.

2.3 Patent Indemnity

2.3.1 VEREGY shall, at its sole expense, defend or, at its option, settle any suit that may be instituted against CUSTOMER for alleged infringement of any United States patents related to the hardware manufactured and provided by VEREGY, provided that: 1. Such alleged infringement consists only in the use of such consistent with the use issued and provided for by VEREGY; 2. CUSTOMER gives VEREGY reasonable notice in writing of any such suit and permits VEREGY, through counsel of its choice, to answer the charge of infringement and defend such suit at VEREGY's sole cost, with reasonable input and collaboration with CUSTOMER; and 3. CUSTOMER gives VEREGY all needed information, assistance and authority, at VEREGY's expense, to enable VEREGY to defend such suit.

2.3.2 If such a suit has occurred, or in VEREGY's opinion is likely to occur, VEREGY may, at its election and expense: obtain for CUSTOMER the right to continue using such equipment; or replace, correct or modify it so that it is not infringing; or remove such equipment and grant CUSTOMER a credit therefore, as depreciated.

2.3.3 In the case of a final award of damages in any such suit, VEREGY will pay the entirety of such award. VEREGY shall not, however, be responsible for any settlement made without its written consent.

2.3.4 This article states VEREGY's total liability and CUSTOMER's sole remedy for any actual or alleged infringement of any patent by the hardware manufactured and provided by VEREGY hereunder. In no event shall VEREGY be liable for any indirect, special or consequential damages resulting from any such actual or alleged infringement, except as set forth in this section 2.3.

2.4 Warranties and Completion

2.4.1 VEREGY warrants CUSTOMER good and clear title to all equipment and materials furnished to CUSTOMER pursuant to this Agreement free and clear of liens and encumbrances. VEREGY hereby warrants that all such equipment and materials shall be new, of good quality, and shall be free from defects in materials and workmanship, including installation and setup, for a period of one (1) year from the date of beneficial use or substantial completion of the equipment or portion of the Work in question, provided that no repairs, substitutions, modifications, or additions have been made, except by VEREGY or with VEREGY's written permission, and provided that after delivery such equipment or materials have not been subjected by non-VEREGY personnel to accident, neglect, misuse, or use in violation of any instructions supplied by VEREGY. VEREGY's responsibility shall be to repair promptly or replace defective equipment or materials, at VEREGY's option and at VEREGY's expense. Moreover, if the defect causes damage to other equipment or material, VEREGY shall promptly repair said damage or cover the cost of repair. The limited warranty contained in this Section 2.4.1 shall constitute the exclusive remedy of CUSTOMER and the exclusive liability of VEREGY for any breach of any warranty related to the equipment and materials furnished by VEREGY pursuant to this Agreement.

VEREGY further warrants that the design, selection, and installation of all equipment for any HVAC system is appropriate for and will operate as intended in a facility of the size and configuration of Customer's facility and in the climate in which Customer's facility is located.

2.4.2 In addition to the warranty set forth in Section 2.4.1 above, VEREGY shall assign to CUSTOMER any and all manufacturer's or installer's warranties for equipment or materials not manufactured by VEREGY and provided as part of the Work, to the extent that such third-party warranties are assignable.

2.4.3 The warranties set forth herein are exclusive, and VEREGY expressly disclaims all other warranties, whether written or oral, implied or statutory, including but not limited to, any warranties of merchantability and fitness for a particular purpose, with respect to the equipment and materials provided hereunder. VEREGY shall not be liable for any special, indirect, incidental or consequential damages arising from, or relating to, this limited warranty or its breach.

2.4.4 VEREGY shall be responsible for (i) any damage to the equipment, materials, or other property at Customer's Facilities and location of the Work caused by the negligent acts or omissions of Veregy or Veregy's contractors and (ii) any personal injury where such damage or injury occurs as a result of VEREGY, or one of its subcontractors', negligent performance under this Contract.

2.4.5 VEREGY's warranty excludes remedy for damage or defect caused by abuse, modifications not executed by VEREGY, improper or insufficient maintenance, improper operation, or normal wear and tear and normal usage.

2.5 Hazardous Materials

2.5.1 VEREGY and its subcontractors shall not be required to handle, remove, come into contact with, dispose of, or otherwise work with hazardous materials existing on the project site at the date of this Agreement or resulting, either directly or indirectly, from any acts or omissions of CUSTOMER, its employees, agents or assigns, or any of its other contractors or subcontractors. "Hazardous materials" as used herein includes all hazardous or toxic substances or materials as may be so designated by federal, state or local governmental entities. "Hazardous materials" shall also include fungus and mold. If, during the performance of the Work, the presence of hazardous materials is discovered or reasonably suspected, VEREGY shall notify CUSTOMER in writing of such discovery or suspicion and shall be permitted to immediately cease all work which requires contact with or exposure to such hazardous materials, until the CUSTOMER has made arrangements for the removal of the same. VEREGY shall be entitled to an extension of the Contract Time for ceasing work pursuant to this Section.

2.5.2 CUSTOMER shall indemnify, defend, and hold VEREGY and its respective officers, directors, employees, agents and subcontractors (collectively the "Indemnified Parties"), harmless from, against, and in respect of any and all rights, claims, demands, liabilities, obligations, orders, assessments, interest, penalties, fines, settlement payments, costs, expenses and damages, including, without limitation, reasonable legal fees ("Damages") imposed upon or incurred by any Indemnified Party and that arise from claims asserted by third parties or by CUSTOMER for injuries caused by any Hazardous Materials existing on the project site at the date of the Agreement or due to the acts of omissions of the CUSTOMER and provided that the Damages are not the result of any act or omission of VEREGY or its agents.

2.5.3 Unless prior to the execution of this Agreement, VEREGY received written notification from CUSTOMER of the existence of Hazardous Materials on the site, and said notice included a description of the Hazardous Materials, and the location of the Hazardous Materials, CUSTOMER is hereby representing to VEREGY that CUSTOMER is not aware of any Hazardous Materials present at the site.

2.5.4 If the structure(s) where the Contract Work is to be performed was built before 1978, CUSTOMER understands that it may contain lead paint. CUSTOMER also understands that the only way to know whether lead paint is present is to have one or more paint samples in the work area tested. CUSTOMER authorizes those tests to be done by VEREGY and agrees to pay VEREGY for the costs of those tests, in addition to the Contract Price. Alternatively, as a condition of accepting this Contract, CUSTOMER agrees to provide VEREGY with documentation demonstrating, to VEREGY's reasonable satisfaction, that: (1) the areas where the Contract Work is to be performed has been tested and determined to be lead free by a certified risk assessor, certified lead inspector or certified renovator; (2) the areas where the Contract Work is to be performed is paint free; and/or (3) the areas where the Contract Work is to be performed were built after 1977.

ARTICLE 3

CUSTOMER'S RESPONSIBILITIES

3.1 CUSTOMER shall provide VEREGY full information regarding the requirements for the Work to the extent known at the time of the request.

3.2 CUSTOMER shall designate a representative who shall be fully acquainted with the Work, and who shall have the authority to request approvals to changes in the scope of the Work and render decisions promptly.

3.3 CUSTOMER shall furnish to VEREGY all information regarding legal limitations, utility locations and other information reasonably pertinent to this Agreement, the Work and the Project, upon request from VEREGY.

3.4 CUSTOMER shall secure and pay for all necessary approvals, easements, assessments, permits and charges required for the construction, use or occupancy of permanent structures or for permanent changes in existing facilities, including charges for legal and auditing services.

3.5 If CUSTOMER becomes aware of any fault or defect in the Work, it shall give reasonably prompt written notice thereof to VEREGY and if such notice is not given, CUSTOMER shall be responsible for any additional repair or remedial costs which could have been avoided if such notice had been reasonably promptly given.

3.6 The information required by the above paragraphs shall be furnished with reasonable promptness after request from VEREGY, and at CUSTOMER's expense. VEREGY shall be entitled to rely upon the accuracy and the completeness thereof.

3.7 Prior to the commencement of the Work VEREGY may request, and CUSTOMER shall furnish within a reasonable amount of time, evidence in a form satisfactory to VEREGY that sufficient funds are available and committed to pay for the Work. Unless such evidence is furnished, VEREGY is not required to commence or continue any Work. Further, if CUSTOMER does not provide such evidence, VEREGY may stop work upon fifteen (15) days notice to CUSTOMER. The failure of VEREGY to insist upon the providing of this evidence at any one time shall not be a waiver of CUSTOMER's obligation to make payments pursuant to this Agreement, nor shall it be a waiver of VEREGY's right to request or insist that such evidence be provided at a later date.

3.8 Both Parties shall comply with all applicable federal, state and municipal laws and regulations governing occupational health and safety in the areas where the Work will be.

CUSTOMER represents and warrants that, except as otherwise disclosed in this Agreement, in the areas where VEREGY will undertake Work or provide services, there are no: (a) materials or substances classified as toxic or hazardous either (i) on or within the walls, floors, ceilings or other structural components, or (ii) otherwise located in the work area, including asbestos or presumed asbestos-containing materials, formaldehyde, containers or pipelines containing petroleum products or hazardous substances, etc.; (b) situations subject to special precautions or equipment required by federal, state or local health or safety regulations; or (c) unsafe working conditions. CUSTOMER shall notify VEREGY of any changes or updates that occur during the course of the Agreement. If any such materials, situations or conditions, whether disclosed or not, are in fact discovered by VEREGY or others and provide an unsafe condition for the performance of the Work or services, the discovery of the material, situation or condition shall constitute a cause beyond VEREGY's reasonable control and VEREGY shall have the right to cease or not commence the Work until the area has been made safe by CUSTOMER or CUSTOMER's representative, at CUSTOMER's expense.

3.9 VEREGY shall be entitled to rely on the accuracy of the information furnished by CUSTOMER. The CUSTOMER shall furnish information and services required of CUSTOMER by the Contract Documents with reasonable promptness.

ARTICLE 4

LABOR & SUBCONTRACTS

4.1 At its exclusive option, VEREGY may subcontract some or all of the Work.

4.2 A Subcontractor is a person or entity who has a direct contract with VEREGY to provide work, labor and materials in connection with the Work. The term Subcontractor does NOT include any separate contractors employed by CUSTOMER or such separate contractors' subcontractors.

4.3 For the purposes of this Agreement, no contractual relationship shall exist between CUSTOMER and any Subcontractor. VEREGY shall be responsible for the management of its Subcontractors in their performance of their Work.

4.4 CUSTOMER shall not hire any of VEREGY's Subcontractors without the prior written approval of VEREGY.

4.5 VEREGY shall promptly pay, when due, all amounts payable for labor and materials furnished in the performance of this Contract so as to prevent any lien or other claim under any provision of the law from arising against any CUSTOMER property, against the contractor's rights to payments hereunder, or against CUSTOMER.

4.6 VEREGY shall, at all times, be responsible for the negligent acts, errors and/or omissions of its subcontractors and agents. Nothing in this Contract shall constitute any contractual relationship between any others and the CUSTOMER or any obligation on the part of the CUSTOMER to pay, or to be responsible for the payment of, any sums to any VEREGY subcontractors.

4.7 All employees of VEREGY and VEREGY subcontractors performing Work shall be paid the per diem prevailing wages for the employee's job classification in the locality in which the Work is performed, provided payment of prevailing wages is required for this Work by applicable law. Further, VEREGY agrees to comply with the Illinois Prevailing Wage Act (820 ILCS 130/) in all respects and shall indemnify CUSTOMER for any failure on its part, or on the part of one of its subcontractors, for failure to comply with the Illinois Prevailing Wage Act.

4.8 All employees of VEREGY and VEREGY's subcontractors performing any work on CUSTOMER's property shall have undergone the necessary finger-print based criminal background and information checks, as required by 105 ILCS 5/10-21.9. VEREGY shall not send to any CUSTOMER property any employee, agent, officer, or subcontracted employee, agent, or officer anyone who has been convicted of a crime listed in 105 ILCS 5/10-21.9(c) and/or 5/21B-80(c), as amended from time to time, or who is listed in the Ill. Sex Offender Registry or the Ill. Murderer and Violent Offender Against Youth Registry. VEREGY shall not send to CUSTOMER property any employee, agent, officer, or subcontracted employee, agent, or officer who has been convicted of a crime listed in 105 ILCS 5/21B-80(b) (certain drug offenses) until seven years following the end of the employee's sentence for the criminal offense. VEREGY shall make every employee, agent, or officer who will have direct, daily contact with one or more students available to the CUSTOMER for the purpose of submitting to a fingerprint-based criminal history records check. The check shall occur before any employee or agent is sent to CUSTOMER property.

ARTICLE 5

INSTALLATION AND ACCEPTANCE

5.1 The Work to be performed under this Agreement shall be commenced and substantially completed as set forth in the Installation Schedule attached hereto as Attachment B.

5.2 Neither Party shall be considered to be in default in performance of their obligations under this Agreement when a failure of performance is due to a Force Majeure. "Force Majeure" shall mean labor disputes, fire, unusual delay in the availability, transportation or delivery of materials, adverse weather conditions or other occurrences which could not be reasonably anticipated; unavoidable casualties; any pandemic, international, or national health crisis or condition or any federal, state or local directive, declaration of emergency or order to suspend, shut down or suspend business in general or the Work in particular, resulting from said pandemic or crisis, that impacts the provision of labor or interferes with a party's or any Party's subcontractor's ability to procure materials, supplies or equipment, or that otherwise disrupts or shuts down the jobsite, either temporarily or for an extended duration. Neither Party shall be relieved of its obligation to perform if such failure is due to causes arising out of its own negligence or the negligence of one of its subcontractors, or due to removable or remediable causes which it fails to remove or remedy within a reasonable time period. Either Party rendered unable to fulfill any of its obligations under this Agreement by reason of an event of Force Majeure shall give prompt written notice of such fact to the other Party.

5.3 VEREGY shall provide Delivery and Acceptance Certificates in a form acceptable to CUSTOMER and VEREGY (the “Delivery and Acceptance Certificates”) for the Work provided pursuant to the Schedule identified in Attachment F. Upon receipt of each Delivery and Acceptance Certificate, CUSTOMER shall promptly inspect the Work performed by VEREGY identified therein and execute each such Delivery and Acceptance Certificate as soon as reasonably possible, but in no event later than ten (10) days after delivery of the same by VEREGY, unless CUSTOMER provides VEREGY with a written statement identifying specific material performance deficiencies that it wishes VEREGY to correct. VEREGY will use reasonably diligent efforts to correct all such material deficiencies and will give written notice to CUSTOMER when all such items have been corrected. The Parties intend that a final Delivery and Acceptance Certificate will be executed for the Work as soon as all Work is installed and operating. Execution and delivery by CUSTOMER of such final Delivery and Acceptance Certificate with respect to the Work shall constitute “Final Acceptance” of such Work performed by VEREGY pursuant to the Installation Schedule.

ARTICLE 6

PRICE AND PAYMENT

6.1 Price

6.1.1 The price for the Work is six hundred ninety three thousand, nine hundred and thirty-three Dollars (\$694,933), subject to the adjustments set forth in Articles 5 and 7.

6.1.2 The price is based upon laws, codes and regulations in existence as of the date this Agreement is executed. Any changes in or to applicable laws, codes and regulations affecting the cost of the Work shall be the responsibility of CUSTOMER and shall entitle VEREGY to an equitable adjustment in the price and schedule if such change materially and directly results in an increased cost.

6.1.3 The price will be modified for delays caused by CUSTOMER and for Changes in the Work requested by CUSTOMER, all pursuant to Article 7.

6.1.4 The license fees for all licensed software are included in the price to be paid by CUSTOMER as identified in this Article 6.

6.1.5 If, at any time, CUSTOMER requests overtime work which requires overtime or premium pay, VEREGY shall be entitled to add such premium or overtime pay to the Contract Price, plus VEREGY’s overhead and profit.

6.1.6 The Contract Price does not include the items of work specifically excluded in Attachment A. If CUSTOMER requests VEREGY to perform any of the work expressly excluded in said Attachment, the cost for this additional work, plus VEREGY’s overhead and profit, shall be added to the Contract Price.

6.2 Payment

6.2.1 Upon execution of this Agreement, CUSTOMER shall pay or cause to be paid to VEREGY the full price for the Work, in accordance with the Payment Schedule, Attachment C. Payment shall be made net thirty (30) days of invoice date.

6.2.2 Payments due under this Contract shall be due and payable in accordance with the Illinois Local Government Prompt Payment Act (50 ILCS 505/1, et seq.) If a progress payment is not paid by the due date, VEREGY reserves the right (with ten (10) days written notice) to stop work until the progress payment then due is made, increased by the amount of VEREGY' costs of shutdown, delay and startup and, in such event, VEREGY will not be liable or responsible for any damages, costs or delays whatsoever due to such work stoppage. VEREGY reserves the right (without further notice) to terminate this Agreement altogether if work is stopped for thirty (30) or more days (whether or not consecutive days) because of a failure to make progress payments, and, in such event, also reserves the right to recover payment for all work executed and losses from stoppage of the work including reasonable overhead and profit.

ARTICLE 7

CHANGES IN THE PROJECT

7.1 A Change Order is a written order signed by CUSTOMER and VEREGY authorizing a change in the Work or adjustment in the price, or a change to the Installation Schedule described in Attachment B. Each Change Order shall describe the change in the work, the amount of adjustment, if any, to the Contract Price, and the extent of any adjustment to the completion date.

7.2 CUSTOMER may request VEREGY to submit proposals for changes in the Work. Unless otherwise specifically agreed to in writing by both parties, if VEREGY submits a proposal pursuant to such request but CUSTOMER chooses not to proceed, CUSTOMER shall issue a Change Order to reimburse VEREGY for any and all costs incurred in preparing the proposal.

7.3 Claims for Concealed or Unknown Conditions

The Contract Price has been based on normal site conditions, without allowance for any additional work that might be caused by unanticipated site conditions. If conditions are encountered at the site that are (1) subsurface or otherwise concealed physical conditions which differ materially from those indicated in the Contract Documents, or (2) unknown physical conditions of an unusual nature, which differ materially from those ordinarily found to exist and generally recognized as inherent in construction activities of the character provided for in the Contract Documents, then notice by the observing party shall be given to the other party promptly before conditions are disturbed and in no event later than fourteen (14) days after first observance of the conditions, and, if appropriate, an equitable adjustment to the Contract Price and Installation Schedule shall be made by a Change Order. Said adjustment in Contract Price shall include VEREGY's overhead and profit. If agreement cannot be reached by the Parties, the party seeking an adjustment in the Price or Installation Schedule may assert a claim in accordance with Paragraph 7.4.

7.4 If VEREGY wishes to make a claim for an increase in the Contract Price or an extension in the Installation Schedule it shall give CUSTOMER written notice thereof within a reasonable time after the occurrence of the event giving rise to such claim. This notice shall be given by VEREGY before proceeding to execute the Work, except in an emergency endangering life or property, in which case VEREGY shall have the authority to act, in its discretion, to prevent threatened damage, injury or loss. Claims arising from delay shall be made within a reasonable time after the delay. Increases based upon design and estimating costs with respect to possible changes requested by CUSTOMER shall be made within a reasonable time after the decision is made not to proceed with the change. No such claim shall be valid unless so made. If CUSTOMER and VEREGY cannot agree on the amount of the adjustment in the Price, or the Installation Schedule, it shall be determined pursuant to the provisions of Article 12. Any change in the Price or the Installation Schedule resulting from such claim shall be authorized by Change Order.

7.5 Emergencies

In any emergency affecting the safety of persons or property, VEREGY shall act, at its discretion, to prevent threatened damage, injury or loss. Any increase in the Price or extension of time claimed by VEREGY on account of emergency work shall be determined as provided in Section 7.4.

7.6 Minor Changes

VEREGY shall, without CUSTOMER's approval, have the authority to make minor changes in the Work so long as they do not result in a material alteration or modification or cause an adjustment to the Contract Price or an extension of the Contract Time.

ARTICLE 8

INSURANCE, INDEMNITY, WAIVER OF SUBROGATION, AND LIMITATION OF LIABILITY

8.1 Indemnity

8.1.1 To the fullest extent permitted by law, VEREGY agrees to indemnify, hold harmless, release and defend CUSTOMER, and CUSTOMER's Board members, employees, agents, officers, and volunteers from any and all actions, claims, demands, damages, disability, losses, expenses (including attorneys' fees) and other defense costs and liabilities of any nature that may be asserted by any person or entity in whole or in part, arising out of VEREGY's negligent or willful acts or omissions, including the those of other persons employed, contracted, or utilized by VEREGY in performance of this Agreement, except to the extent caused by the negligence of CUSTOMER or CUSTOMER's Board members, employees, agents, officers, and volunteers. This indemnification is not limited in any way by the limitations of any insurance held or provided by VEREGY as outlined below. This provision shall survive termination and/or completion of this Agreement.

8.1.2 With respect to claims made by an employee of VEREGY, or a contractor of VEREGY, or anyone directly or indirectly employed by them, the indemnification obligation hereunder shall not be limited by a limitation on the amount or type of damages, compensation, or benefits payable by VEREGY or the contractor under workers' compensation laws, disability benefit laws, or other employee benefit laws. .

8.1.3 CUSTOMER shall indemnify and hold harmless VEREGY and VEREGY's consultants, agents and employees from and against all claims, damages, losses and expenses, including but not limited to attorneys' fees, arising out of, or resulting from, any negligent or willful act or omission of CUSTOMER or CUSTOMER's contractors, consultants, agents or employees.

8.1.4 VEREGY shall require any other contractor who may have a contract on this project with VEREGY to perform work in the areas where Work will be performed under this Agreement to agree to indemnify CUSTOMER and hold it harmless from all claims for bodily injury and property damage [other than property insured under Paragraph 8.4] that may arise from that contractor's operations. Such provisions shall be in a form satisfactory to CUSTOMER and shall include the waiver set forth in Paragraph 8.1.2, above..

8.2 Contractor's Liability Insurance

8.2.1 VEREGY shall purchase and maintain such insurance as will protect it from claims that may arise out of or result from VEREGY's operations under this Agreement.

8.2.2 The Commercial General Liability Insurance shall include premises-operations (including explosion, collapse and underground coverage), elevators, independent contractors, completed operations, and blanket contractual liability on all written contracts, all including broad form property damage coverage.

8.2.3 VEREGY's Commercial General and Automobile Liability Insurance, as required by Subparagraphs 8.2.1 and 8.2.2, shall be written for not less than limits of liability as follows:

(a) Commercial General Liability

Combined Single Limit

\$ 1,000,000 Each Occurrence

\$ 2,000,000 Product & Completed Operations

Aggregate

\$ 2,000,000 General Aggregate
Other Than Products & Completed Operations

(b) Commercial Automobile Liability

Combined Single Limit
\$ 1,000,000 Each Occurrence

(c) Umbrella/Excess Liability

(d) \$5,000,000 over primary insurance. Contractual Liability
Contractual liability covering VEREGY's obligations under Paragraphs 8.1.1 and 8.1.2

8.2.4 VEREGY shall maintain at all times during the performance of the Work and Services hereunder, Workman's Compensation Insurance in accordance with the laws of the State in which the Work is performed.

8.2.5 VEREGY will name CUSTOMER as an additional insured on a primary, non-contributory basis on policies listed in Paragraph 8.2.3, with waiver of subrogation endorsements in favor of the CUSTOMER.

8.3. CUSTOMER's Liability Insurance

8.3.1 CUSTOMER shall be responsible for purchasing and maintaining its own liability insurance and, at its option, may purchase and maintain such insurance as will protect it against claims that may arise from operations under this Agreement.

8.4 Insurance to Protect Project (Builder's Risk Insurance)

8.4.1 CUSTOMER shall purchase and maintain Builder's Risk insurance to cover the full cost of replacement for the Work at CUSTOMER's Facilities for the length of time to complete the Project. The policy shall remain in place until an occupancy permit is issued to CUSTOMER by the Regional Office of School Trustees, pursuant to the Health Life Safety Code. VEREGY shall be named as an additional insured and shall include, at a minimum, coverage for fire, windstorm, flood, earthquake, theft, vandalism, malicious mischief, transit, collapse, testing, and damage resulting from defective design, workmanship, or material.

8.4.1.1 If CUSTOMER finds it necessary to occupy or use a portion or portions of the Facilities prior to Substantial Completion thereof, such occupancy shall not commence prior to a time mutually agreed to by CUSTOMER and VEREGY and to which the insurance company or companies providing the property insurance have consented by endorsement to the policy or policies. This insurance shall not be canceled or lapsed on account of such partial occupancy. Consent of VEREGY and of the insurance company or companies to such occupancy or use shall not be unreasonably withheld.

8.4.2 CUSTOMER shall purchase and maintain such insurance as will protect CUSTOMER and VEREGY against loss of use of CUSTOMER's property due to those perils insured pursuant to Subparagraph 8.4.1. Such policy will provide coverage for expenses of expediting materials, continuing overhead of CUSTOMER and VEREGY, necessary labor expense including overtime, loss of income by CUSTOMER and other determined exposures. Exposures of CUSTOMER and VEREGY shall be determined by mutual agreement and separate limits of coverage fixed for each item.

8.4.3 CUSTOMER shall provide Certificate(s) of Insurance to VEREGY before work on the Project begins. All insurance coverage(s) must be with a carrier rated A or better by one of the National Insurance Rating Agencies such as A.M. Best. VEREGY will be given sixty (60) days notice of cancellation, non-renewal, or any endorsements restricting or reducing coverage.

8.5 Property Insurance Loss Adjustment

8.5.1 Any insured loss shall be adjusted with CUSTOMER and VEREGY and made payable to CUSTOMER and VEREGY as trustees for the insureds, as their interests may appear, subject to any applicable mortgagee clause.

8.6 Waiver of Subrogation

8.6.1 If permitted by both Parties' respective insurance carriers without penalty or additional premium, CUSTOMER and VEREGY waive all rights against each other, Architects and Engineers, Subcontractors and Sub-subcontractors for damages caused by perils covered by insurance provided under Paragraph 8.4, except such rights as they may have to the proceeds of such insurance held by CUSTOMER and VEREGY as trustees. VEREGY may require similar waivers from all Subcontractors and Sub-subcontractors.

8.6.2 CUSTOMER and VEREGY waive all rights against each other, Architects and Engineers, Subcontractor and Sub-subcontractors for loss or damage to any equipment used in connection with the Project, which loss is covered by any property insurance. VEREGY may require similar waivers from all Subcontractors and Sub-subcontractors.

8.6.3 CUSTOMER waives subrogation against VEREGY, Subcontractors and Sub-subcontractors on all property and consequential loss policies carried by CUSTOMER on adjacent properties and under property and consequential loss policies purchased for the Project after its completion.

8.6.4 If the policies of insurance referred to in this Paragraph 8.6 require an endorsement to provide for continued coverage where there is a waiver of subrogation, the owners of such policies will cause them to be so endorsed.

8.7 Limitation of Liability

8.7.1 In no event shall either Party be liable to the other for any special, incidental, indirect, speculative, remote, or consequential damages arising from, relating to, or connected with the work, equipment, materials, or any goods or services provided hereunder. The Parties waive claims against each other for consequential damages arising out of or relating to this Agreement. This waiver includes damages incurred by the Parties for rental expenses, for losses of use, income, profit, financing, business and reputation, and for loss of management or employee productivity or of the services of such persons.

ARTICLE 9

TERMINATION OF THE AGREEMENT

9.1 If VEREGY defaults in, or fails or neglects to carry forward the Work in accordance with this Agreement, CUSTOMER may provide notice in writing of its intention to terminate this Agreement to VEREGY. If VEREGY, following receipt of such written notice does not, within twenty-one (21) calendar days after receipt of such notice, act to remedy and make good such deficiencies, CUSTOMER may terminate this Agreement and take possession of the site together with all materials thereon, and move to complete the Work itself expeditiously. If the unpaid balance of the contract sum exceeds the expense of finishing the Work, the excess shall be paid to VEREGY, but if the expense exceeds the unpaid balance, VEREGY shall pay the difference to CUSTOMER.

9.2 If CUSTOMER fails to make payments as they become due, or otherwise defaults or breaches its obligations under this Agreement, VEREGY may give written notice to CUSTOMER of VEREGY's intention to terminate this Agreement. If, within twenty-one (21) calendar days following receipt of such notice, CUSTOMER fails to make the payments then due, or otherwise fails to cure or perform its obligations, VEREGY may, by written notice to CUSTOMER, terminate this Agreement and recover from CUSTOMER payment for Work satisfactorily performed and not yet paid by CUSTOMER.

9.3 If CUSTOMER defaults in or fails or neglects to carry forward the Work in accordance with this Agreement, VEREGY will be entitled to obtain any available legal or equitable remedies, to the extent allowed by law, or institute other proceedings, including, without limitation, bringing an action or actions from time to time for specific performance, and/or for the recovery of amounts due and unpaid and/or for damages, which shall include all costs and expenses reasonably incurred, including attorney's fees.

9.4 If VEREGY defaults in or fails or neglects to carry forward the Work in accordance with this Agreement, Customer will be entitled to obtain any available legal or equitable remedies, to the extent allowed by law, or institute other proceedings, including, without limitation, bringing an action or actions from time to time for specific performance, and/or for the recovery of amounts due and unpaid and/or for damages, which shall include all costs and expenses reasonably incurred, including attorney's fees.

9.5 CUSTOMER may terminate this Agreement at any time without cause. Cancellation shall be by service of written notice to VEREGY. Upon receipt of such notice, VEREGY shall, unless the notice directs otherwise, immediately

discontinue the work and placing of orders for materials, facilities and supplies in connection with the performance of this Agreement, and shall, if requested, make every reasonable effort to procure cancellation of all existing orders or contracts upon terms satisfactory to CUSTOMER. In the event this Agreement is terminated by CUSTOMER without cause and prior to completion, CUSTOMER's sole liability to VEREGY hereunder shall be limited to the VEREGY's out-of-pocket costs for labor and material for the actual Work performed as of the date of termination, which must be supported by reasonable and sufficient back-up data and documentation (such as invoices and payroll records) substantiating VEREGY'S right to payment plus reasonable and agreed upon overhead and profits to the date of termination. Under no circumstances will VEREGY be entitled to recover lost profits or any damages from CUSTOMER as a result of such early termination nor shall VEREGY be entitled to any claim or lien against CUSTOMER.

ARTICLE 10

ASSIGNMENT

10.1 Neither party to the Agreement shall assign this Agreement in whole or in part without the prior written consent of the other party. Such consent shall not be reasonably withheld, except that VEREGY may assign to another party the right to receive payments due under this Agreement. VEREGY may enter into subcontracts for the Work without obtaining CUSTOMER's consent.

ARTICLE 11

MISCELLANEOUS PROVISIONS

11.1 The Table of Contents and headings in this Agreement are for information and convenience only and do not modify the obligations of this Agreement.

11.2 Confidentiality. As used herein, the term "CONFIDENTIAL INFORMATION" shall mean any information in readable form or in machine readable form, including software supplied to CUSTOMER by VEREGY that has been identified or labeled as "Confidential" and/or "Proprietary" or with words of similar import. CONFIDENTIAL INFORMATION shall also mean any information that is disclosed orally and is designated as "Confidential" and/or "Proprietary" or with words of similar import at the time of disclosure and is reduced to writing, marked as "Confidential" and/or "Proprietary" or with words of similar import, and supplied to the receiving party within ten (10) days of disclosure.

"Confidential Information" does not include this Agreement, any schedule, exhibit, or attachment to this Agreement; applications, invoices, or requests for payment; approvals or certificates for payment, or any other payment related information.

All rights in and to CONFIDENTIAL INFORMATION and to any proprietary and/or novel features contained in CONFIDENTIAL INFORMATION disclosed are reserved by the disclosing party; and the party receiving such disclosure will not use the CONFIDENTIAL INFORMATION for any purpose except in the performance of this Agreement and will not disclose any of the CONFIDENTIAL INFORMATION to benefit itself or to damage the disclosing party. This prohibition includes any business information (strategic plans, etc.) that may become known to either party.

Each party shall, upon request of the other party or upon completion or earlier termination of this Agreement, return the other party's CONFIDENTIAL INFORMATION and all copies thereof.

Notwithstanding the foregoing provisions, neither party shall be liable for any disclosure or use of information disclosed or communicated by the other party if the information:

- (a) is publicly available at the time of disclosure or later becomes publicly available other than through breach of this Agreement; or
- (b) is known to the receiving party at the time of disclosure; or
- (c) is subsequently rightfully obtained from a third party on an unrestricted basis; or
- (d) is approved for release in writing by an authorized representative of the disclosing party;
- (e) is legally required to be disclosed pursuant to a public records act or open meetings law, including but not limited to the Illinois Freedom of Information Act and Illinois Open Meetings Act.

The obligation of this Article shall survive any expiration, cancellation or termination of this Agreement.

11.3 If any provision is held illegal, invalid or unenforceable, the remaining provisions of this Agreement shall be construed and interpreted to achieve the purposes of the Parties.

11.4 Risk of loss for all equipment and materials provided by VEREGY hereunder shall transfer to CUSTOMER upon delivery to CUSTOMER's Facilities from VEREGY or its Subcontractor and title shall pass upon final acceptance or final payment by CUSTOMER to VEREGY, whichever occurs later.

11.5 Final notice or other communications required or permitted hereunder shall be sufficiently given if personally delivered to the person specified below, or if sent by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

To:
Veregy Central, LLC
Attention: Albert Willis, Midwest Vice President
16647 Chesterfield Grove Road, Suite 200
Chesterfield, MO 63005

To CUSTOMER:

Attention: Dr. Merryl Brownlow
Palos Heights School District 128
12809 S. McVickers Ave.
Palos Heights, IL 60463

11.6 Waiver. Either Party's failure to insist upon the performance or fulfillment of any of the other Party's obligations under this Agreement shall not be deemed or construed as a waiver or relinquishment of the future performance of any such right or obligation hereunder.

11.7 If any provision of this Agreement or the application thereof to any circumstances shall be held to be invalid or unenforceable, then the remaining provisions of this Agreement or the application thereof to other circumstances shall not be affected hereby and shall be valid and enforceable to the fullest extent permitted by law.

11.8 Performance/Payment Bond. Prior to commencing work, VEREGY shall furnish a performance bond and payment bond covering the construction of the work in an amount equal to the contract price prior to commencement of work in a form acceptable to CUSTOMER. Said bond(s) will be guarantee the faithful performance of the Agreement and payment for all labor, materials, and equipment provided to the project, and shall remain in full force and effect until Final Completion.

11.9 This bond covers only the performance and payment exposure associated with the performance of the construction portion of the work. The energy savings, additional savings, guaranteed savings, savings shortfalls are not under any circumstances covered under this bond or an obligation that the surety is responsible for.

11.10 Ambiguities. The parties have each had the opportunity to review and negotiate the terms of this Agreement, and any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement.

11.11 Headings. The section headings contained herein are intended for convenience and reference only, and are not a part of this Agreement.

11.12 Authority to Enter into this Contract. The persons signing the Agreement on behalf of the parties are authorized to execute and accept contracts of this nature.

11.13 CUSTOMER Representations. To the extent applicable, the CUSTOMER warrants that it has the necessary power and authority to enter into this Agreement and this Agreement has been duly authorized by its duly elected representatives. This Agreement is a legal, valid and binding obligation of the CUSTOMER.

11.14 **Waiver of Liens.** Upon request from CUSTOMER, VEREGY shall provide CUSTOMER with Progress Payment Waivers and Releases for Work VEREGY has been paid up to that date. Upon receipt by VEREGY of final payment for the Work (including payment of any retentions), VEREGY will provide CUSTOMER with a Final, Unconditional Waiver and Release.

11.15. **Applicable Law, Jurisdiction, and Venue.** This Agreement and the construction and enforceability thereof shall be interpreted under the laws of the State of Illinois without regard to choice of law statutes. CUSTOMER and VEREGY agree that any and all disputes, including any and all disputes arising from, out of, or related to this Agreement or the services set forth herein, shall be resolved in the State or federal courts serving Cook County, Illinois, and each Party consents to the exclusive in personam jurisdiction and exclusive venue of Cook County, Illinois.

11.16 **Compliance with Applicable Laws.** The Parties acknowledge that part of this Agreement is being entered into pursuant to Article 19b of the Illinois School Code (105 ILCS 5/19b et. seq), and that, consistent with Article 19b-15, the following, included but not limited to, State laws and related administrative requirements. If applicable, this Parties shall adhere to the following: The Illinois Human Rights Act, the Prevailing Wage Act, the Public Construction Bond Act, the Employment of Illinois Workers on Public Works Act, the Freedom of Information Act, the Open Meetings Act, the Illinois Architecture Practice Act of 1989, the Professional Engineering Practice Act of 1989, the Structural Engineering Practice Act of 1989, the Local Government Professional Services Selection Act, and the Contractor Unified License and Permit Bond Act.

ARTICLE 12
LIMIT OF LIABILITY – FIRE AND/OR SECURITY SYSTEMS

12.1 The parties agree that VEREGY in not an insurer; that the fire and/or security system and/or Service purchased herein is designed only to reduce the risk of loss; that CUSTOMER chose such system and/or Service from several levels of protection offered by VEREGY; that VEREGY will not be held liable for any loss, whether in tort or contract, which may arise from the failure of the system and/or Service; and that customer will indemnify, defend and save VEREGY harmless from any and all loss, claims, actions, causes of actions or expense, including attorneys’ fees, arising from the actual or alleged malfunction or nonfunction of the system and/or service. The parties further agree that this Agreement shall not confer any rights on the part of any person or entity not a party hereto, whether as a third-party beneficiary or otherwise.

Because it is extremely difficult to assess actual damages arising from the failure of a system and/or service, the parties agree that if any liability is imposed on VEREGY for damages or personal injury to either customer or any third party, such liability shall be limited to an aggregate amount not to exceed the value of the system installed. This sum shall be paid either as (i) liquidated damages and not as a penalty, or (ii) a limitation of liability agreed upon by the parties. No suit or action shall be brought against VEREGY more than one (1) year after the accrual of the cause of action thereof.

ARTICLE 13
**ALLOCATION OF SECTION 179D DEDUCTION
TO DESIGNER**

13.1 CUSTOMER acknowledges and represents that the project site where VEREGY’s Work is to be performed and all building and improvements located on the same are “government-owned buildings” as CUSTOMER is a political subdivision and CUSTOMER owns said property, building and other improvements where the Work is to be performed. CUSTOMER hereby allocates to VEREGY any and all Section 179D deductions for the Work. CUSTOMER further acknowledges that VEREGY is the entity that has created and is primarily responsible for the technical specifications for installation of energy efficient work at CUSTOMER’s commercial building property, as described herein. CUSTOMER agrees to complete and execute the “Form for Allocation of Section 179D Deduction”, which is attached hereto as Schedule G and incorporated herein by reference. CUSTOMER also agrees to participate in any analysis, inspection and/or certification required by statute or otherwise deemed necessary by VEREGY, to the extent provided for and supported by law, to assist VEREGY in qualifying for the Section 179D deduction.

ARTICLE 14
SUBSEQUENT PHASES OF WORK

14.1 Additions and modifications to this Agreement may be made upon the mutual agreement of both parties in writing. The parties contemplate that such modifications may include but are not limited to the installation of additional improvement measures, energy conservation measures, facility improvement measures and operational efficiency improvements or furnishing of additional services within the identified facilities, as well as other facilities owned and operated by the Customer.

If the Work is divided into phases or individual projects for which individual prices have been negotiated, then separate Commencement Dates shall apply to each phase or individual project. These projects, modifications, and modifications to the original scope of Work or Services and may be included as addendums to the Master Agreement.

APPROVALS:

The parties hereby execute this Agreement as of the date first set forth herein by the signatures of their duly authorized representatives:

VEREGY CENTRAL, LLC

Palos Heights School District #128

By _____
Name _____
Title _____
Date _____

By _____
Name _____
Title _____
Date _____

ATTACHMENT A

SCOPE OF WORK Page 13 of 30

Remove a total of eight (8) package rooftop units (RTU) which have direct expansion (DX) refrigerant cooling and natural gas heat at two schools which are described in the following table and replace with Trane model YZK or equal which includes the following factory features and accessories:

- electronically commutated supply air fan motor (ECM);
- economizer with powered exhaust fan and with outdoor air temperature (OAT) control;
- return air (RA) smoke detector for units exceeding 2000 cfm of supply air;
- manufacturer electronic unit controller with a thermostat interface in order to reconnect the new replacement RTUs to the existing Veregy building management system (BMS) building temperature controls;
- ECM condenser fan motor(s);
- 208 Volts / three phase / 60 Hertz electric supply;
- non-fused disconnect switch;
- factory-wired powered convenience outlet;
- 16.8 minimum SEER2 rating on the 3 ton unit and on the 5 ton unit;

- 17.5 minimum integrated energy efficiency ratio (IEER) on the units larger than 5 tons;

school	space	existing model	existing tons cooling	new replacement tons cooling	natural gas supply pressure pounds per square inch (psig)
Independence	band room west	YSC092	7.5	7.5	2 psig
Independence	band room center	YSC120	10	10	2 psig
Independence	band room east	YSC092	7.5	7.5	2 psig
Independence	northeast	YSC092	7.5	7.5	2 psig
Independence	room 138	YSC102	8.5	8.5	2 psig
Independence	art room 139	YSC092	7.5	7.5	2 psig
Independence	STEM room 124	YSC060	5	5	2 psig
Indian Hill	pre-school	48TFE004	3	4	

Veregy provides the following services and field-installs the following accessories for each new replacement RTU:

- remove the existing natural supply gas high pressure regulator (HPR) and provide and install a new replacement HPR;
- provide and install a new replacement evaporator coil condensate P-trap which drains onto the rooftop;
- rebalance the supply air from and the return air and the outside air to each new replacement RTU;
- provide a service technician equipment start-up report;
- verify that that each new replacement RTU functions with the existing building management system (BMS) temperature control;

ATTACHMENT A

SCOPE OF WORK Page 12 of 30

Veregy reuses and reconnects to each new replacement RTU the following which are already installed:

- reconnect the existing electric power conductors to each new replacement RTU;
- reconnect the existing natural gas supply branch pipe to each new replacement RTU;
- reconnect existing supply air (SA) distribution ductwork and return air (RA) distribution ductwork to each new replacement RTU;

Veregy excludes weekend work and excludes revising the existing natural gas supply branch pipe to each new replacement RTU.

ATTACHMENT B
INSTALLATION SCHEDULE

Veregy will provide Palos Heights School District #128 a Construction Implementation Schedule. The Project Team will mobilize in May/June of 2025. Mobilization and installation of projects are not to be interruptive to the school activities. It is also Veregy's intent not to hinder the preparation of the building for the start of school.

Project completion date is contingent upon many factors including but not limited to:

- Timely decisions on the part of the school district
- Timely delivery schedules
- Weather Delays

A detailed project schedule will be completed by the Veregy Project Manager in collaboration with the School District.

"Substantial Completion" is when (i) the Work associated specifically with this Project is completed in accordance with the Contract Documents so that the Project can be utilized substantially for its intended purpose, with only punch list items remaining, as determined by the parties following an opportunity for inspection and a joint walk-through.

ATTACHMENT C

PAYMENT SCHEDULE

PAYMENT SCHEDULE

The following are the payment schedules for the project.

Construction of the Project

The project shall be invoiced on a monthly basis for the work completed and equipment ordered for the project. These progress invoices shall be submitted on the last day of each month. All invoices shall be billed as net thirty (30) days.

A mobilization fee will be due upon contract execution for 10% of the contract price.

ATTACHMENT D

ENERGY GUARANTEE

DEFINITIONS

When used in this Agreement, the following capitalized words shall have the meanings ascribed to them below:

“**Avoided Energy Costs**” are the avoided costs calculated by multiplying the Energy Savings by the Energy Rates as established in Attachment E. These rates are established based on current billing and/or rate schedules as applicable. Future rates may vary from the rates identified in Attachment E. Avoided Energy Cost may also include, but are not limited to, Savings from power factor correction, taxes, ratchet charges, rate changes and other utility tariff charges that are reduced as a result of the VEREGY involvement.

“Avoided Operational Costs” is defined as the reduction in Operational Costs achieved as a result of the implementation of the Retrofit. These savings are as agreed to between VEREGY and CUSTOMER, and as such are not verified. Avoided Operational Costs, if any, are shown in Attachment E.

“Avoided Related Capital Expenditure Costs” is defined as planned or budgeted expenses for the replacement of systems or equipment that would have occurred had the Work not been performed and are agreed to between VEREGY and CUSTOMER. These savings are as agreed to between VEREGY and CUSTOMER, and as such are not verified. Avoided Related Capital Expenditure Costs, if any, are shown in Attachment E.

“Baseline Period” is the defined period of time chosen to represent the Facilities' operations and energy use prior to the implementation of the Energy Conservation Measures.

“Baseline Period Energy Use or Demand” is the energy consumption or demand by a piece of equipment or a site occurring during the Baseline Period without adjustments. Baseline physical conditions, such as equipment counts, nameplate date, and control strategies, will typically be determined through surveys, inspections, and/or metering at the site.

“Energy Use and Operational Cost Avoidance Guarantee Practices” are those practices identified in Attachment E, intended to achieve Energy Savings, resulting Avoided Energy Costs, and/or Avoided Operational Costs.

“Energy Costs” may include the cost of electricity and fuels to operate HVAC equipment, Facility mechanical and lighting systems, and energy management systems, and the cost of water and sewer usage, as applicable.

“Energy Conservation Measure (ECM)” is the installation of equipment or systems, or modification of equipment or systems as described in Attachment A.

“Energy Rates” are Energy Costs per unit of energy.

“Energy Savings” is the reduction in energy use or demand as relative to the energy use or demand identified during the Baseline Period. This equates to (Baseline Period Energy) – (Reporting Period Energy) ± Adjustments. This also includes energy production from systems such as photovoltaic systems, wind turbines, etc.

“Facilities” shall mean those buildings where the energy use and operational cost savings will be realized.

“F.E.M.P.” shall mean the Federal Energy Management Program of the U.S. Department of Energy and its Measurement and Verification Guidelines for Federal Energy Projects (November 2015, or later versions). The F.E.M.P. guidelines classify measurement and verification approaches as Option A, Option B, Option C, and Option D. The F.E.M.P. guidelines are based on the International Performance Measurement and Verification Protocol (I.P.M.V.P.) and were written to be fully consistent with it. It is intended to be used by Federal procurement teams consisting of contracting and technical specialists. The focus of F.E.M.P. guidelines is on choosing the M&V option and method most appropriate for specific projects.

“Financing Document” refers to that document executed between CUSTOMER and a third-party financing entity providing for payments from CUSTOMER third-party financing entity.

“Final Project Acceptance” refers to CUSTOMER acceptance of the installation of the ECMs as described in Attachment A.

“First Guarantee Year” is defined as the period beginning on the first (1st) day of the month following the date of Final Acceptance of the Work installed and ending on the day prior to the first (1st) anniversary thereof.

“Guarantee Period” is defined as the period beginning on the first (1st) day of the First Guarantee Year and ending on the last day of the final Guarantee Year.

“Guarantee Year” is defined as the First Guarantee Year and each of the successive twelve (12) month periods commencing on the anniversary of the commencement of the First Guarantee Year throughout the Term of this Agreement.

“Guaranteed Savings” is defined as the amount of Energy Savings, resulting Avoided Energy Costs as determined using the rates as identified in Attachment E, Avoided Operational Costs, and Avoided Future Costs necessary to pay for the cost of the Work incurred by CUSTOMER in each Guarantee Year (as identified in Section 3.1 hereof).

"I.P.M.V.P." International Performance Measurement and Verification Protocol (2022 or later version) provides an overview of current best practice techniques available for measurement and verification of performance Agreements. This document is the basis for the F.E.M.P. protocol and is fully consistent with it. The techniques are classified as Option A, Option B, Option C, and Option D.

"Measurement and Verification Plan" (M&V Plan) is defined as the plan providing details on how the Guaranteed Energy Savings will be verified.

"Operational Costs" shall include the cost of operating and maintaining the Facilities, such as, but not limited to, the cost of inside and outside labor to repair and maintain the ECMs, the cost of custodial supplies, the cost of replacement parts, the cost of deferred maintenance, the cost of lamp and ballast disposal, and the cost of new capital equipment.

"Option A" Retrofit Isolation with Key Parameter(s) Measurement is a verification approach used for ECMs in which energy use or demand of the equipment can be isolated from that of the remainder of the Facility. Key parameters impacting the Energy Savings are measured pre- and post-installation, while some parameters may be estimated. This is the most cost-effective method for verification of savings. Option A involves:

- Identifying key parameters to be measured; and
- Parameters that are not impacted by the ECM have been determined and;
- Operational Verification, which includes confirming:
 - The equipment and/or systems that were to be installed under this Agreement have been installed; and
 - The installed equipment is operating and functioning in accordance with the specifications in the Agreement
 - The installed equipment components or systems *continue, during the term of the Agreement*, to meet the specifications of the Agreement and are maintained by CUSTOMER or VEREGY as required per the Agreement.

"Option B" Retrofit Isolation with All Parameter Measurement is a verification approach used for ECMs in which energy use or demand of the equipment can be isolated from that of the remainder of the Facility, and the ECM has variable loads and operating hours. All parameters impacting the Energy Savings are measured pre- and post-installation. Option B involves:

- Identifying all parameters associated with the Energy Savings; and
- Operational Verification, as outlined under Option A.

"Option C" Whole Facility is a verification approach where Energy Savings are determined by measuring post-retrofit energy use at the whole Facility or sub-Facility level and comparing it to the measured baseline energy use. This is typically done through utility billing data. This verification approach is more often used when the ECM affects many systems within a Facility. Adjustments are made to the Baseline Energy Use to reflect operational or external changes from the Baseline Period to the Guarantee Year. Operational Verification is performed as identified under Option A.

"Option D" Calibrated Simulation is a verification approach where baseline energy use is determined using a calibrated simulation and is compared to a simulation of Guarantee Year energy use. Option D can involve measurements of energy use both before and after the Retrofit for specific equipment or energy end use as needed to calibrate the simulation program. Periodic inspections of the equipment may also be warranted. Energy consumption is calculated by developing calibrated hourly simulation models of whole-building energy use, or equipment sub-systems in the baseline mode and in the post-installation mode and comparing the simulated annual differences for either an average year or for conditions that correspond to the specific year during either the baseline or post-installation period. Operational Verification is performed as identified under Option A.

"Retrofit" is the work provided by VEREGY as defined by the ECMs.

"Savings" is defined as avoided, defrayed, or reallocated costs.

"Stipulated Savings" is defined as Energy Savings that have calculated and documented using industry engineering standards.

"Term" shall have the meaning as defined in Section 2 hereof.

"Total Guarantee Year Savings" is defined as the summation of Avoided Energy, Operational and Future Costs realized by Facilities in each Guarantee Year as a result of the Retrofit provided by VEREGY as well as Excess Savings, if any, carried forward from previous years.

2. TERM AND TERMINATION

2.1 **Guarantee Term.** The Term of this Guarantee Period shall commence on the first (1st) day of the month following the date of Final Project Acceptance of the Work installed pursuant to this Agreement and shall terminate at the end of the Guarantee Period unless terminated earlier as provided for herein. The Term of this Guarantee Period is defined in Section 1 of Attachment E.

2.2 **Guarantee Termination.** Should this Agreement be terminated in whole or in part for any reason prior to the end of the Term, the Guaranteed Savings for the Guarantee Year in which such termination becomes effective shall be prorated as of the effective date of such termination, with a reasonable adjustment for seasonal fluctuations in Energy and Operational Costs, and the Guaranteed Savings for all subsequent Guarantee Years shall be null and void.

3. SAVINGS GUARANTEE

3.1 **Guaranteed Savings.** VEREGY guarantees to CUSTOMER that the identified Facilities will realize the total Avoided Energy, Operational, and Future Costs through the combined value of all ECMs over the Term of the Agreement as defined in Section 1 of Attachment E. In no event shall the Savings Guarantee provided herein exceed the total contract value for the Work under this Agreement. Notwithstanding any other provision of this Agreement requiring savings reconciliation or verification, the Total Guarantee Year Savings in each Guarantee Year are stipulated and agreed to by both parties to this Agreement to equal the Avoided Energy, Operational, and Future Cost amounts set forth in Attachment E, and shall be deemed realized upon the date of final Project Acceptance. The total Avoided Energy, Operational, and Future Cost and increase in billable revenues due to the ECMs are guaranteed to cover the costs of the payments for the measures; and VEREGY will reimburse CUSTOMER for the difference between the Guaranteed Savings and the actual Savings.

3.1.1 **Additional Savings.** Additional energy and/or operational cost avoidance that can be demonstrated as a result of VER'GY's efforts that result in no additional costs to CUSTOMER beyond the costs identified in this Agreement will be included in the guaranteed savings reconciliation report for the applicable Guarantee Year(s).

3.1.2 **Savings Prior to Final Retrofit Acceptance.** All Avoided Energy and Operational Costs realized by CUSTOMER that result from activities undertaken by VEREGY prior to Final Project Acceptance, including any utility rebates or other incentives earned as a direct result of the installed ECMs provided by VEREGY, will be applied toward the Guaranteed Savings for the First Guarantee Year.

3.1.3 **Cumulation of Savings.** The Guaranteed Savings in each Guarantee Year are considered satisfied if the Total Guarantee Year Savings for such Guarantee Year equals or exceeds the Retrofit and Support Costs for such Guarantee Year or the amount identified in Section 1 of Attachment E hereto.

3.1.4 **Excess Savings.** In the event that the Total Guarantee Year Savings in any Guarantee Year exceed the Guaranteed Savings required for that Guarantee Year, such Excess Savings shall be a credit to VEREGY and any remaining Excess Savings shall be carried forward and applied against Guaranteed Savings shortfalls in any future Guarantee Year.

3.1.5 **Savings Shortfalls.** In the event that the Total Guarantee Year Savings in any Guarantee Year is less than the Guaranteed Savings required for that Guarantee Year, after giving credit for any Excess Savings carried forward from previous Guarantee Years pursuant to Section 3.1.4. VEREGY shall, upon receipt of written demand from CUSTOMER, compensate CUSTOMER the amount of any such shortfall, limited by the value of the guarantee, within thirty (30) days. Resulting compensation shall be VER'GY's sole liability for any short fall in the Guaranteed Savings. VEREGY shall, at no cost to CUSTOMER, have the option to make additional improvements or changes to the work to avoid future shortfalls.

3.2 **Savings Reconciliation Documentation.** VEREGY will provide CUSTOMER with a Guaranteed Savings Reconciliation Report after the first Guarantee Year and beyond as determined in this Agreement, if applicable. CUSTOMER will assist VEREGY in generating the Guaranteed Savings Reconciliation Report by providing VEREGY with copies of all bills pertaining to Energy Costs within two (2) weeks following CUSTOMER's receipt thereof, together with access to relevant records relating to such Energy Costs. CUSTOMER will also assist VEREGY by permitting access to any maintenance records, drawings, or other data deemed necessary by VEREGY to generate the said report. Data and calculations utilized by VEREGY in the preparation of its Guaranteed Savings Reconciliation Report will be made available to CUSTOMER along with such explanations and clarifications as CUSTOMER may reasonably request.

3.2.1 Acceptance of Guarantee Reconciliation. At the end of each Guarantee Year CUSTOMER will have forty-five (45) days to review the Guaranteed Savings Reconciliation Report and provide written notice to VEREGY of non-acceptance of the Guarantee Savings for that Guarantee Year. Failure to provide written notice within forty-five (45) days of the receipt of the Guaranteed Savings Reconciliation Report will deem it accepted by CUSTOMER. If the annual Guaranteed Savings have been met after the first year, the Guarantee will be deemed realized for the entire Guarantee Term.

3.2.2 Guaranteed Savings Reconciliation. Guaranteed Savings will be determined in accordance with the methodology(s), operating parameters, formulas, and constants as described below and/or defined in Attachment E and/or additional methodologies defined by VEREGY that may be negotiated with CUSTOMER at any time.

For reconciliation of Guaranteed Savings using the method consistent with I.P.M.V.P. and/or F.E.M.P. Options A and/or B:

For each ECM, VEREGY will employ an M&V Plan which may be comprised of any or all of the following elements:

1. Pre-retrofit measurement of energy consumption or demand
2. Post-retrofit measured energy consumption or demand
3. Post-retrofit measured hours of operation
4. Post-retrofit energy and demand charges
5. Sampling plan
6. Stipulated Values

The value of the Energy Savings during each Guarantee Year will be derived from the measured data and engineering formulae included herein, and the applicable energy charges as identified in Attachment E. In some cases, energy usage and/or demand will be calculated from measured variables that directly relate to energy consumption, demand or cost, such as, but not limited to, measured flow, temperature, current, voltage, enthalpy or pressure.

For reconciliation of Guarantee Savings employing the method of utility bill analysis consistent with F.E.M.P. Option C:

Energy usage for the Facilities for such Guarantee Year will be summarized and compared with the adjusted Baseline Period energy usage for the Facilities through the use of energy accounting software. The difference between the adjusted Baseline Period energy usage and the Guarantee Year energy usage will be multiplied by the applicable Energy Rate as defined in Attachment E, to calculate the Avoided Energy Cost. A Baseline Period will be specified in Attachment E for the purpose of utility bill analysis.

For reconciliation of Guarantee Savings verification employing the method consistent with I.P.M.V.P. and/or F.E.M.P. Option D:

For each ECM, VEREGY will employ an M&V Plan which may be comprised of any or all of the following elements:

The value of the Energy Savings will be derived from a calibrated simulation of either the whole building or of sub-systems in the building to determine the difference in the performance of the specific equipment being replaced. This method may entail as needed one-time measurements of the performance of the energy consuming systems in the building in order to calibrate the simulation model. Energy usage for the Facilities for such Guarantee Year will be derived through the use of simulation programs.

3.3 Operational Cost Avoidance. The agreed-upon Avoided Operational Cost as described in Attachment E will be deemed realized upon execution of this Agreement and will begin to accrue on the date of the completion and acceptance of each Retrofit improvement. These Savings are representative of information provided by CUSTOMER consisting of either whole or partial budgeted operational costs and as such, it is hereby understood and agreed that CUSTOMER is wholly responsible for assuring that these budgeted Operational Costs are accurate and achievable.

3.4 Baseline Period Energy Use Adjustments. Baseline Period Energy Use shall be adjusted to reflect: changes in occupied square footage; changes in energy-consuming equipment; changes in the operation of the Facilities; changes in Energy and Operational Cost Avoidance Guarantee Practices adversely affecting energy consumption and/or demonstrated operational changes; changes in weather between the Baseline Period and the Guarantee Year; and documented or otherwise conclusively established metering errors for the Baseline Period and/or any Guarantee Year adversely affecting energy usage measurement.

3.4.1 Facility Operational Changes. Except in the case of emergencies CUSTOMER agrees it will not, without the consent of an Authorized Representative of VEREGY: make any significant deviations from the applicable Energy and Operational Cost Avoidance Guarantee Practices; put any system or item of equipment in a permanent “on” position, if the same would constitute a deviation from the applicable Energy and Operational Cost Avoidance Guarantee Practices; or assume manual control of any energy management system or item of equipment, if the same would constitute a deviation from the applicable Energy and Operational Cost Avoidance Guarantee Practices.

3.4.2 Hours and Practices. To achieve these Energy Savings, VEREGY and CUSTOMER agree upon the operating practices listed in Attachment E.

3.4.3 Activities and Events Adversely Impacting Savings. CUSTOMER shall promptly notify VEREGY of any activities known to CUSTOMER which adversely impact: VER’GY’s ability to realize the Guaranteed Savings and VEREGY shall be entitled to reduce its Guaranteed Savings by the amount of any such adverse impact to the extent that such adverse impact is beyond VER’GY’s reasonable control.

3.5 Guarantee Adjustment. VER’GY’s Guaranteed Savings obligations under this Agreement are contingent upon: (1) CUSTOMER following the Energy and Operational Cost Avoidance Guarantee Practices set forth herein and in Attachment E; (2) no alterations or additions being made by CUSTOMER to any of the Covered systems and Equipment without prior notice to and Agreement by VEREGY; (3) CUSTOMER sending all current utility bills to VEREGY within two (2) weeks after receipt by CUSTOMER, if CUSTOMER fails to provide current utility bills for a period of time in excess of six (6) months VEREGY may, at its sole discretion, deem the Guarantee Savings obligation met during that period and any successive periods, and (4) VEREGY’s ability to render services not being impaired by circumstances beyond its control. To the extent CUSTOMER defaults in or fails to perform fully any of its obligations under this Agreement, VEREGY may, in its sole discretion, adjust its Guaranteed Savings obligation; provided, however, that no adjustment hereunder shall be effective unless VEREGY has first provided CUSTOMER with written notice of CUSTOMER’s default(s) or failure(s) to perform and CUSTOMER has failed to cure its default(s) to perform within forty-five (45) days after the date of such notice.

3.5.1 Guarantee Weather Adjustment. Where applicable, VEREGY may, in its sole discretion, adjust the Guaranteed Savings obligation to correct for any energy production and/or system performance that has been negatively impacted as a result of weather including, but not limited to, Global Horizontal Irradiance and Insolation (GHI), Direct Normal Irradiance and Insolation (DNI), Diffuse Horizontal Irradiance and Insolation (DHI), temperature, Cooling Degree Day (CDD), Heating Degree Day (HDD), humidity, wind speed, etc.

ATTACHMENT E

SCHEDULE OF SAVINGS

1. Savings Summary

The total Avoided Energy, Operational and Related Capital Expenditure Costs over the Term of the Agreement are \$781,705 as defined by the following:

Annual Reconciliation and Savings Allocation				
Year	Avoided Utility Savings from Existing Baseline	Secured Grants and Utility Incentives	Long Term Operating Costs Savings	Guaranteed Savings
1	\$ 900.00	TBD	\$ 717,325.99	\$718,225.99
2	\$ 936.00	\$ -	\$ 1,591.35	\$2,527.35
3	\$ 964.08	\$ -	\$ 1,639.09	\$2,603.17
4	\$ 993.00	\$ -	\$ 1,688.26	\$2,681.27
5	\$ 1,022.79	\$ -	\$ 1,738.91	\$2,761.70
6	\$ 1,053.48	\$ -	\$ 1,791.08	\$2,844.55
7	\$ 1,085.08	\$ -	\$ 1,844.81	\$2,929.89
8	\$ 1,117.63	\$ -	\$ 1,900.16	\$3,017.79
9	\$ 1,151.16	\$ -	\$ 1,957.16	\$3,108.32
10	\$ 1,185.70	\$ -	\$ 2,015.87	\$3,201.57
11	\$ 1,221.27	\$ -	\$ 2,076.35	\$3,297.62
12	\$ 1,257.91	\$ -	\$ 2,138.64	\$3,396.55
13	\$ 1,295.64	\$ -	\$ 2,202.80	\$3,498.44
14	\$ 1,334.51	\$ -	\$ 2,268.88	\$3,603.40
15	\$ 1,374.55	\$ -	\$ 2,336.95	\$3,711.50
16	\$ 1,415.78	\$ -	\$ 2,407.06	\$3,822.84
17	\$ 1,458.26	\$ -	\$ 2,479.27	\$3,937.53
18	\$ 1,502.01	\$ -	\$ 2,553.65	\$4,055.65
19	\$ 1,547.07	\$ -	\$ 2,630.26	\$4,177.32
20	\$ 1,593.48	\$ -	\$ 2,709.17	\$4,302.64
Total	\$ 24,409.39	\$ -	\$ 757,296	\$ 781,705.11

- Annual Avoided Energy Costs are not less than \$ 900 as listed in 3.
- Annual Avoided Operational Costs are not less than \$1,545 as listed in 3.
- Year 1 Avoided Related Capital Expenditure Costs are \$715,780.99 as listed in 3.

The Term of this Agreement is for 20 years from the first (1st) day of the month following the date of Final Project Acceptance of the Work.

2. Energy Rates and Costs

2.1 Energy Rates. Actual Energy Rates are determined by reviewing current Energy Costs per unit of energy. VEREGY may escalate rates at 3% annually or use the actual rates, whichever is greater, to determine total Avoided Energy Costs over the Term of this Agreement. The rates used for this Agreement are detailed in the table below.

Energy Rates

Average Electric Rates	\$/kWh
Independence Junior High School	\$ 0.137
Indian Hill School	\$ 0.124

2.2 Baseline Period Energy Use and Costs. The Baseline Period is defined as September 2022 to August 2023. The Baseline Period Energy Use and Costs for the Facilities are:

Independence Junior High School		
Month	kWh	Total Cost
Sep-22	31,554	\$ 4,093.44
Oct-22	23,806	\$ 2,584.39
Nov-22	31,863	\$ 3,562.42
Dec-22	32,653	\$ 3,877.41
Jan-23	27,645	\$ 3,200.93
Feb-23	31,374	\$ 4,120.69
Mar-23	28,612	\$ 3,643.44
Apr-23	21,439	\$ 3,045.23
May-23	21,208	\$ 3,390.61
Jun-23	20,976	\$ 3,735.98
Jul-23	22,169	\$ 3,802.14
Aug-23	23,239	\$ 4,227.46
TOTAL	316,538	\$ 43,284.14
Indian Hill School		
Month	kWh	Total Cost
Sep-22	10,345	\$ 1,302.07
Oct-22	7,376	\$ 842.80
Nov-22	11,519	\$ 1,285.49
Dec-22	17,652	\$ 1,666.14
Jan-23	16,312	\$ 1,577.06
Feb-23	15,393	\$ 1,859.81
Mar-23	14,623	\$ 1,642.05
Apr-23	7,927	\$ 1,108.60
May-23	7,757	\$ 1,192.52
Jun-23	7,587	\$ 1,276.43
Jul-23	7,302	\$ 1,171.09
Aug-23	8,240	\$ 1,460.57
TOTAL	132,033	\$ 16,384.63

3. Guaranteed Savings

VEREGY guarantees to CUSTOMER that the identified Facilities will realize the total Guaranteed Savings through the combined value of all ECMs over the Term of the Agreement. The total Guaranteed Savings in each Guarantee Year is verified as specified

in this Agreement, and this verification method is agreed to by VEREGY and CUSTOMER. Avoided Operational and Future Costs as given below are calculated values based on industry standard information and information provided by CUSTOMER and are agreed to values. No verification of Operational and Future Cost Savings is performed.

Energy Conservation Measures Savings Guarantee Table

Facility	ECM Description	Energy Savings	Avoided Energy Costs \$		Guarantee	
		kWh	kWh \$	Total Projected Energy Costs Savings \$	% Guarantee	Total Guaranteed Energy Costs Savings \$
Independence JHS	remove and replace 7 RTUs	6600	900	900	100%	900
Indian Hill School	remove and replace 1 RTU					
Total		6600	900	900	100%	900

VEREGY and CUSTOMER agree that the total Avoided Energy Costs for each ECM over the term of the Agreement will be based on an escalation factor for the costs of utilities as given in 2.1.

Avoided Operational Cost Savings. Operational Savings are based on the concepts given in the table below. The operational cost savings identified below are deemed satisfied upon Agreement execution. Avoided future cost savings are determined by the cost to implement this project over the term of the project.

Operational Savings Methodology Table

Facility	ECM Description	Operational Savings Concept	Operational Savings \$
Independence JHS	remove and replace 7 RTUs	Reduced maintenance requirements for new RTUs	\$1250
Indian Hill School	remove and replace 1 RTU	Reduced maintenance requirements for new RTU	\$250
Total			\$1500

VEREGY and CUSTOMER agree that the total Operational Savings for each ECM over the term of the Agreement will be based on an escalation factor of 3%.

\$1,500 Annual Operational Savings

\$1,545 Year 1 Operational Savings (Escalated 3%)

Related Capital Expenditures. Related capital expenditures have been calculated as follows:

Installation Cost Summer 2025:	\$ 694,933.00
Future Planned Expenditures (Includes additional 3% Labor and Material Escalation)	\$715,781

4. **Reporting.** Due to the very small amount of energy savings (2% of baseline energy use) VEREGY does not intend to provide CUSTOMER with a Guaranteed Savings Reconciliation Report

Savings Measurement & Verification Plan

VEREGY will verify the savings using the methodologies given in the table below. Calculation” means the savings have been calculated and agreed to by CUSTOMER and VEREGY. “Measurement” requires measurements to determine the actual retrofit performance. In the “Measurement” cases, the measured parameters, time of measurement and quantity of equipment to be measured are identified. The actual operation of the Facility is the responsibility of CUSTOMER. This includes properly maintaining the equipment, the future hours of operation based on a change in mission, or capacity and variations in weather or unit energy costs.

After review of the measurement and verification protocol options, CUSTOMER and VEREGY have agreed that measurements noted in this attachment meet CUSTOMER’S needs for verification of Energy Savings.

Measurement and Verification Methodology for Energy Conservation Measures

Facility	ECM Description	IPMVP Option	Measurement and Verification Procedures		
			Method	Measured Parameter	Measurement Interval
Independence JHS and Indian Hill School	RTU Replacement	N/A	Savings are Stipulated		

The following describes the Measurement and Verification procedures, formulas, and estimated values which may be used in the calculation of the Energy Savings. % of calculated savings that are guaranteed are given in the Energy Conservation Measures Savings Guarantee Table.

ECM [remove and replace seven (7) direct expansion (DX) refrigerant cooling and natural gas heat package rooftop units (RTU) at Independence Junior High School and remove and replace one DX refrigerant cooling and natural gas heat RTU at Indian Hill School]

Electric Savings:

Electric usage (kWh) savings is computed in the following manner for each RTU:

$(12/EEREXISTING \text{ minus } 12/EERNEW) * 764 \text{ equivalent full-load hours (EFLH) space cooling}$ where EEREXISTING equals energy efficiency ratio of the existing RTU and where EERNEW equals energy efficiency ratio of the new replacement RTU and where the Illinois Technical Reference Manual (ILTRM) excerpt below lists 764 EFLH for an elementary school near Chicago;

RTU tag band room west EEREXISTING equals 11 and EERNEW equals 12.9;

RTU tag band room center EEREXISTING equals 11 and EERNEW equals 12.5;

RTU tag band room west EEREXISTING equals 11 and EERNEW equals 12.9;

RTU tag room EEREXISTING equals 11 and EERNEW equals 12.9;

RTU tag STEM room 124 EEREXISTING equals 11 and EERNEW equals 14.3;

RTU tag room 138 EEREXISTING equals 11 and EERNEW equals 12.3;

RTU tag art room 139 EEREXISTING equals 11 and EERNEW equals 12.9;

Indian Hill School RTU tag pre-school EEREXISTING equals 11 and EERNEW equals 14.3;

ATTACHMENT F

FINAL DELIVERY AND ACCEPTANCE CERTIFICATE

Project Name _____

Agreement Effective Date: _____

Scope-of-Work (SOW) Item/Energy Conservation Measure (ECM):

To: VEREGY

Reference is made to the above listed Agreement between the undersigned and VEREGY and to the Scope of Work as defined in Attachment A herein. In connection therewith, we confirm to you the following¹. The Scope of Work (SOW) Item/ Energy Conservation Measure (ECM) referenced above and also listed in Attachment A of the Agreement has been demonstrated to the satisfaction of the Owner's Representative as being substantially complete, including all punch list items generated during the Project Acceptance Procedure.

2. All of the Work has been delivered to and received by the undersigned and that said Work has been examined and /or tested and is in good operating order and condition and is in all respects satisfactory to the undersigned and as represented, and that said Work has been accepted by the undersigned and complies with all terms of the Agreement. Consequently, you are hereby authorized to invoice for the Final Payment, as defined in Attachment C, The Payment Schedule.

Owner Name:

By:

(Authorized Signature)

(Printed Name and Title)

(Date)